



Protecting Montana's consumers through insurance and securities regulation

**BUSINESS & LABOR**

EXHIBIT NO. 2  
DATE 1-27-09  
BILL NO. SB 142

**Senate Bill 142**

**Repeal of Non-gender Insurance Coverage**

**This bill eliminates equal access to insurance products.**

**COST CONCERNS**

Maternity benefits will no longer be a required part of individual or group health insurance plans as one effect of the proposed language on page 2, line 1.

The cost of maternity insurance optional benefits, or riders for women ages 18-29 are an estimated \$1,233/ year, for women 30-34, \$973/year, for women 35-39 \$554/year, for women 40-44 \$293/year and for women 45-49 \$181/year.\*

Section 3, Page 2, lines 13-15 and Section 1, lines 13-14. Appear to be ambiguous and could affect compliance and enforcement.

Auto insurance rates for men ages 15-30 could increase if SB 142 passes. The best projections available are 10 percent or more, but less than 25 percent.

**LEGAL CONCERNS**

The definition of reproductive health in Section 3, lines 16-18 appear to be so vague as to be unenforceable.

The Montana constitution, Article II Section 4 states, "...Neither the state nor any person, firm, corporation, or institution shall discriminate against any person ...on account of race, color, sex, culture, social origin or condition, or political or religious ideas."

The Montana Supreme Court held in 1993 that excluding coverage and denying benefits for normal maternity benefits unlawfully discriminated against female policyholders in violation of §49-2-309, MCA.\*\*

**This law has been on the books for 20 years and has not harmed the insurance industry.**

- 368 Property/Casualty companies wrote auto business in 2007
- 295 companies with Health/Disability Authority wrote business in 2007
- 377 companies with Life Authority wrote business in 2007

\*Calculations based on projections from and assumptions in the 2008 Tillinghast health pricing manual.

\*\*Number 93-363 in the Supreme Court of the State of Montana, 1993, Bankers Life and Casualty Co. v. Peterson, Barnett, Wolf, Chaidez and the Montana Human Rights Commission